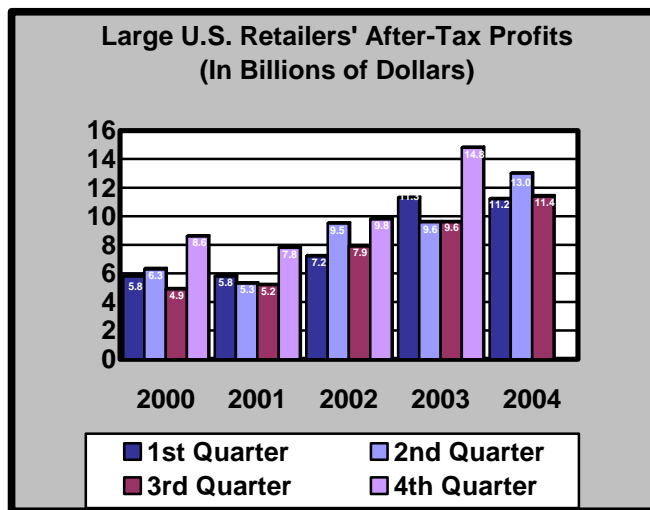


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**THIRD QUARTER 2004 ADVANCE DATA FROM THE QUARTERLY FINANCIAL REPORT
LARGE U.S. RETAIL TRADE CORPORATIONS**



EXPLANATORY NOTES:

These data are based on quarterly financial reports obtained from approximately 500 corporations. More detailed information on the retail trade sector for the third quarter 2004 will be published in the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations - Fourth Quarter 2004, scheduled for release on April 4, 2005.

SAMPLING

The data presented in this report are estimated from a sample survey and therefore are subject to sampling variability as well as nonsampling variability such as response error, nonreporting, and coverage errors. Estimates of sampling variability are presented in the publication. A statement such as "up 2.5 (± 0.2) cents", appearing in the text, indicates the range (+2.3 to +2.7 cents) in which the actual change is likely to have occurred. The range given for the change is a 90 percent confidence interval that accounts only for sampling variability. If the range had contained zero (0), it would have been uncertain whether there was an increase or decrease; that is, the change would not have been statistically significant. For any comparison cited without a confidence interval, the change is statistically significant. The quarterly publication includes more detailed explanations of confidence intervals and sampling variability, along with additional measures of sampling variability.

DATA AVAILABILITY

This press release can be viewed today in page image format (.pdf) at the internet website <http://www.census.gov/csd/qfr/>. More detailed information on U.S. Manufacturing, Mining, and Wholesale and Retail Trade Corporations is available for downloading at our website under "QFR Products: Publication". The publication includes statements of income and retained earnings, balance sheets, and related financial and operating ratios. Data presented are classified by industry and asset size. The publication is available for sale from the Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250-7954 (202-512-1800). Fax orders to (202) 512-2250 or phone orders to (202) 512-1800 (8am-4:30pm EST). The cost for an annual subscription is \$58 domestic and \$81.20 foreign. Data are also available on 3.5 inch diskettes from the U.S. Department of Commerce, Census Bureau (MS0801), P.O. Box 277943, Atlanta, GA 30384-7943 (301-763-INFO/301-763-4636). The cost for an annual subscription is \$80 domestic and \$105 foreign. The cost for a single diskette is \$50. All remittances from foreign countries must be by international money order or by draft on a U.S. bank.

After-tax profits of U.S. retail corporations with assets of \$50 million and over totaled \$11.4 billion in the third quarter 2004, down \$1.6 (± 0.1) billion from the preceding quarter but up \$1.8 (± 0.1) billion from the same quarter a year ago, the Commerce Department's Census Bureau reported. Sales in the third quarter 2004, at \$406.2 billion, were up \$7.3 (± 2.6) billion or 1.8 percent ($\pm 0.7\%$) from the \$398.9 billion of last quarter, and up \$26.4 (± 2.0) billion or 6.9 percent ($\pm 0.5\%$) from the third quarter of 2003. These data are not adjusted for seasonality.

After-tax profits for these corporations averaged 2.8 cents per dollar of sales for the third quarter of 2004, down 0.5 (± 0.1) cents from the 3.3 cents of the preceding quarter and up 0.3 (± 0.1) cents from the 2.5 cents recorded in the third quarter of 2003.

The annual rate of after-tax profits on stockholders' equity in the third quarter of 2004 was 14.3 percent, down 2.6 percent ($\pm 0.2\%$) from the 16.9 percent of the second quarter of 2004 and up 1.2 percent ($\pm 0.2\%$) from the 13.1 percent of the third quarter of 2003.

This report is available on the day of issue on the Department of Commerce's Internet website at <http://www.census.gov/csd/qfr/>.

Table 1. Income Statement For U.S. Retail Trade Corporations - Assets \$50 Million And Over

Item	3Q 2004	2Q 2004 ¹	3Q 2003 ¹
	(million dollars)		
Net sales, receipts, and operating revenues	406,240	398,912	379,846
Less: Depreciation, depletion, and amortization.....	7,798	7,584	7,329
Less: All other operating costs and expenses	382,085	372,406	356,156
Income (or loss) from operations	16,357	18,921	16,360
Interest expense	3,613	3,786	3,043
Net nonoperating income (expense)	4,404	4,661	1,522
Income (or loss) before income taxes	17,149	19,797	14,839
Less: Provision for current and deferred domestic income taxes	5,788	6,824	5,230
Income (or loss) after income taxes	11,361	12,973	9,609
Cash dividends charged to retained earnings in current quarter.....	1,989	2,862	2,021
Net income retained in business	9,372	10,111	7,589
Retained earnings at beginning of quarter	224,910	214,822	199,688
Other direct credits (or charges) to retained earnings (net)	(2,592)	(3,394)	(1,972)
Retained earnings at end of quarter	231,690	221,539	205,305

Table 2. Income Statement Ratios For U.S. Retail Trade Corporations - Assets \$50 Million And Over

Item	3Q 2004	2Q 2004 ¹	3Q 2003 ¹
	(cents)		
Net sales, receipts, and operating revenues	100.0	100.0	100.0
Less: Depreciation, depletion, and amortization	1.9	1.9	1.9
Less: All other operating costs and expenses	94.1	93.4	93.8
Income (or loss) from operations	4.0	4.7	4.3
Interest expense	0.9	0.9	0.8
Net nonoperating income (expense)	1.1	1.2	0.4
Income (or loss) before income taxes	4.2	5.0	3.9
Less: Provision for current and deferred domestic income taxes.....	1.4	1.7	1.4
Income (or loss) after income taxes	2.8	3.3	2.5

Table 3. Operating Ratios For U.S. Retail Trade Corporations - Assets \$50 Million And Over

Item	3Q 2004	2Q 2004 ¹	3Q 2003 ¹
	(percent)		
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	21.64	25.77	20.29
After income taxes	14.34	16.89	13.14
Annual rate of profit on total assets:			
Before income taxes	8.62	10.31	7.96
After income taxes	5.71	6.76	5.15

¹Revised.